

# The Standing Senate Committee on Health, Welfare and Science

## Evidence

Ottawa, Wednesday, June 20, 1973.

The Standing Senate Committee on Health, Welfare and Science, to which was referred Bill C-133, to amend the National Housing Act, met this day at 2.30 p.m. to give consideration to the bill.

**Senator Chesley W. Carter** (*Deputy Chairman*) in the Chair.

**The Deputy Chairman:** Honourable senators, we have a quorum and before us is bill C-133. Mr. Hignett, President of CMHC, and certain of his colleagues are present as witnesses. I will ask Mr. Hignett to introduce the other officials and proceed with any opening statement he may care to make.

**Mr. H. W. Hignett, President, Central Mortgage and Housing Corporation:** Thank you, Mr. Chairman. If I may, I will introduce my colleagues from Central Mortgage and Housing Corporation who are with me. In the corner is Mr. R. T. Adamson, Executive Director of the corporation; sitting next to him, Mr. W. Wheatley, Assistant Director of our Secretariat; Mr. Marcel Sigouin, Executive Director in charge of Real Estate; Mr. Stewart Bourns, a member of our Policy Planning Division; Mr. John MacFarlane, a member of the Secretariat; and Mr. Ted Johnson, the Executive Assistant to the Honourable Ron Basford.

The bill you are considering is, in my opinion, the most important amendment to the National Housing Act of the last decade. It is intended to bring closer the goal of the Honourable Ron Basford of giving Canadians a right to good housing in a proper environment and in invigorating communities.

The bill was first introduced in the House of Commons more than one year ago. Since its introduction there have been at least two rounds of close consultation with each of the 10 provinces by both the minister and officials of Central Mortgage and Housing Corporation. These rounds of consultation led to improvements in the bill, and in this respect the bill that was submitted last January was an improved bill over the previous one. The bill was also considered and agreed upon at the federal-provincial meeting of ministers which took place in January of this year.

There has been a great deal of public discussion with respect to the bill. We have received representations from the housing industry, social agencies such as the Social Development Council, co-operative associations, other citizen's groups and individual citizens. All these led to further consideration of the bill and further amendments, both in committee and at third reading stage in the house.

The purpose of the legislation is to strengthen in many respects the housing aids for lower income families in Canada.

It seems to me, Mr. Chairman that no piece of legislation, at least relating to housing, has been better understood by provincial governments, municipalities and interested groups in all parts of the country than this bill. Its passage into law is eagerly anticipated by most.

The bill contains eight major programs, some of which are new and some of which are very substantial strengthening of existing programs. Four programs are perhaps not as important as the others, but are important in themselves. Finally, there are housekeeping amendments to the act, without which CMHC could not continue.

Dealing with the eight major programs in the act, not in the order of their importance but in the order of their appearance in the bill, the first is section 15.1 loans to non-profit corporations. Non-profit corporations have traditionally in Canada provided the bulk of housing for elderly persons and for low-income families. The non-profit section of the act has been widened to make it absolutely clear that non-profit corporations sponsored by charitable organizations, co-operative associations and municipalities qualify for assistance under this section. The section provides for loans of 100 per cent, which is the first time that 100 per cent loans have appeared in any section of the National Housing Act. It provides also for a grant of 10 per cent of the cost of the project upon its completion.

The second program is contained in section 27.1, the neighbourhood improvement program, which replaces the urban renewal program. The implementation of the urban renewal program resulted in the demolition of neighbourhoods and disruption of low-income families. Successive ministers and, indeed, members of both houses, felt that the program has been in many respects harmful, notwithstanding the good that it was intended to do. The neighbourhood improvement program replaces this. The essence of this program is to preserve neighbourhoods rather than destroy them and provides loans and a substantial level in grants for the acquisition of land for low-income housing. It also provides for grants for a construction of social amenities appropriate to neighbourhoods. A lesser level of grants is available for the provision of municipal services and the acquisition of land to be used for other purposes.

Part IV.1 of the act introduces for the first time loans and grants for the rehabilitation and conversion of existing housing. This program, initially at least, is closely associated with the neighbourhood improvement program. It provides that in addition to the aids available for